



PARALYZED VETERANS OF AMERICA
Michigan Chapter
Chartered by United States Congress

40850 Grand River Avenue • Novi, Michigan 48375
(248) 476-9000 • FAX (248) 476-9545



MICHIGAN PARALYZED VETERANS OF AMERICA

House Insurance Committee

Testimony – Senate Bill 248/249

April 22, 2015

Presented by Michel F Harris, Executive Director

(United States Marine Corp 1975-79)

WHO IS PVA?

The Paralyzed Veterans of America was founded in 1947 to address the needs and concerns of veterans who have sustained an injury or disease of the spinal cord. PVA is devoting its life and effort to enhancing the quality of life for these veterans and other persons with disabilities by administering programs in research, wheelchair sports, legislation and advocating for improved civil rights for persons with a disability regardless of race, creed or color.

Michigan Paralyzed Veterans of America

Mr. Chairman, members of the House Insurance Committee, my name is Michael Harris, Executive Director for the Michigan Paralyzed Veterans of America (MPVA).

I'm here today in opposition of Senate Bill 248/249.

As Michigan Paralyzed Veterans of America (MPVA) celebrates its fifty-fourth year, paralyzed veterans and all Americans with spinal cord injury/disease can look back and see many remarkable advances in medical progress and quality of life.

Michigan PVA understands that specialized services, such as spinal cord injury care, are part of the core mission and responsibility of the VA. Specialized services provided through the VA spinal cord injury medical centers are essential to enjoying a productive and healthy life.

However, these services are expensive and are constantly being threatened by budget reductions. It is for that reason that paralyzed veterans visit with members of their Congressional Delegation every year to ensure that there is adequate funding for VA health care.

The reason I bring this up is that there is a parallel between what happens to paralyzed veterans and people that are seriously injured in an automobile accident in Michigan.

The majority of MPVA members that have a non-service related spinal cord injury are a direct result of an auto accident. The Personal Injury Protection (PIP) coverage provided by Michigan No-Fault has been a tremendous help to our members. This coverage has benefited us in dealing with the many physical, psychological, and financial aspects of this life altering condition.

To dismantle Michigan No-Fault insurance for some possible cost savings would be devastating for our members and for those who will be injured in weeks, months and years to come.

For me, the night of September 7th, 1986 was an evening that forever changed my life. I was traveling as a passenger in a car when the driver of the vehicle lost control and the car flipped onto its side. The impact of the accident fractured the T-5 vertebrae in my spinal column, severed my spinal cord, and left me as a paraplegic.

Suddenly, I went from being a fully functioning, independent person, to one who would be required to live with restrictions and dependent on others for my survival.

Prior to my injury my understanding of Michigan No-Fault Law was no different from the majority of people that I knew. We all thought when an automobile accident occurred that nobody was at fault. I never knew that the PIP was an unlimited coverage will pay all of your medical cost for the rest of your life.

The fact that your insurance company cannot abandon you in your time of need is what makes Michigan auto no-fault insurance system the best in the country.

The insurance industry is still pressing forward with changing the State's auto insurance system without the necessary data from the Michigan Catastrophic Claims Association (MCCA). The transparency of MCCA is critical to auto no-fault in Michigan, and without having access to the actual tables and economic assumptions it uses to make its projections there is no way to know what changes are appropriate.

Without this information legislators are being asked to make a blind vote that could cause our state's most seriously injured people to lose the care they need.

The insurance industry would have everyone believe that the only way to reduce costs is by cutting personal injury benefits which ultimately pushes their expenses onto Medicaid, and restricting accident victim's rights. MPVA believes there are better solutions.

MPVA has called on Michigan legislators to enact laws that require the MCCA to release financial information so both policy makers and interest groups can make informed decisions on proposed changes to the Michigan No-Fault law.

The information is critical in revealing to Michigan citizens and lawmakers the rationale behind the insurance industry claim that Michigan's current auto no-fault system is financially unsustainable and that the MCCA will soon go bankrupt without capping benefits and enforcing strict cost controls.

To date, the MCCA has continued to assert its claim of exemption from all attempts to secure this essential information – including the recently-filed FOIA lawsuit by CPAN – effectively blocking the ability of all concerned parties to assess the no-fault system, address its shortfalls, and collaborate on appropriate solutions to fix the system without sacrificing no-fault's core principle of immediate access to appropriate, unlimited care for catastrophically-injured victims.

This is about transparency and access to information. The MCCA is a public body that collects millions of dollars from millions of Michigan citizens, including our state lawmakers, and we have a right to see the records of how that money is managed.

The MPVA believes that the Michigan No-fault system provides the best insurance value in the country and needs to be maintained. Since the early 1990's insurance companies have been attempting to impose strict controls, reduce benefits and promote other reforms that would eliminate no-fault as it is known in Michigan today.

Each attempt has ended in the same result: with lawmakers and the public reaffirming their support for a system with a very powerful message—*that the protections of the supports necessary to make us whole again are priceless!*

This concludes my statement. I would be pleased to address any questions or comments that you or other members of the committee may have.

Thank you, again, for the opportunity to present our remarks.